

SESSION "ADDING VALUE TO YOUR PRODUCT"

PHIL A'VARD - PUFFING BILLY RAILWAY SOCIETY

We have all succeeded in preserving our trams and trains, although not necessarily in the manner we thought when we started. Although we probably did not realise it we did it in two steps.

First we restored the hardware - the rolling stock and tracks.

Secondly, we took those elements and TURNED THEM INTO A BUSINESS.

It was not, however the kind of business for which the hardware was originally intended.

Instead of commuters and freight, our hardware now carries pleasure seekers, who are out for a new experience. Our sales base or market is in tourism. Our business is not running railways or tramways - it is in ENTERTAINMENT.

In my profession I am a theatre director. My job is to present entertainment all year round and to attract an audience to my theatre. Despite the fact that the theatre industry is one of the most precarious, I believe I am in a better position than those of us in the preservation field in that I can attract return business from my patrons three or four times a year BY CHANGING MY PRODUCTIONS. A new script, new actors with a little bit of music thrown in will bring people back to sit in the seats of my venue and pay for more tickets.

The preserved rail product is generally constant. Some old rolling stock running over the same length of track every day of the year is not likely to attract more than three visits per lifetime of the average person.

The nostalgia business probably has a wider appeal to the marketplace than the theatre, so marketing efforts should be in two phases. One, to tap into the uncommitted masses, which can be expensive; the other to convince the converted to ride again. This latter group, being aware of the product, is less expensive to access and, if you give them something different, will be inclined to pay a premium price.

The "something different" is simply another product tacked on to the basic ride and "packaged" so that the customer believes that he is getting more than the two put together and willingly pays the higher price. e.g. give each child a free ice-cream on your midday train and market it as "The Ice Cream Express". You make the margin on the train ride and the margin on the ice-cream by packaging them and adding to their values

Food is the obvious add-on package and many preserved railways have moved into this. In Wales the Ffestiniog has joined forces with an A class hotel in an enterprise called "Steam and Cuisine" where their usual return trip between Bleanau Ffestiniog and Portmadog is accompanied by a five course silver service meal. The North Yorkshire Moors and Keighley and Worth Valley run regular Pullman dining specials. Even the diminutive R. H. & D. R. has a dining car.

Closer to home we see "Pancake" and "Fish & Chip" specials on the Bellarine Peninsula Railway in Victoria, and the Puffing Billy Night and Lunch Trains.

There are other "products" which can be added to the ride. Some overseas railways add special events, one of the most recent being "Back to World War II" where period army costume is worn and locomotives and coaching stock painted in camouflage patterns. I recently saw an Irish preservation group stage a "Halloween" special.

The "special event" is perhaps a different aspect of marketing, but it can be used as an added value to your base product.

Added value does not have to come from within the resources of your railway. Packages can be made up by combining with another attraction nearby. For example (Don't wince) "Try the Metropolitan Tramway Big Mac Deal" - you sell a ticket which includes a hamburger from that ubiquitous chain. OR instead of a hamburger, perhaps a cinema

ticket. My organisation did quite good business by combining with a local skating rink some years ago.

There are aspects of your operation which can be used to add value. Workshops are particularly interesting to men and boys (OSH issues considered). Combine conducted tour of your "backstage" facilities with your trip and you can bring in extra biscuits for the barrel.

The best effect of "adding value" comes from the special event, be it a special train or a special day on the railway. It has the spin-off benefit of generating local publicity. It also has the benefit of being cheap to advertise as marketing can be directed to people who have ridden on the railway (or perhaps should say can be directed to them while they are riding). For example: Puffing Billy runs a number of "Friends of Thomas" days through the year. These are only advertised in the regular paper timetable and on a special leaflet handed out to passengers. They sell out months in advance.

Ironically we receive abuse from people who complain that we don't advertise them enough. God help us if we did !!

Examples of these value added or special event activities undertaken on Puffing Billy are:

- "Friends of Thomas" Days
- "The Commissioners Special" inspection trains
- "The Lunch Train" - a regular first class product
- "The Night Train" - a regular/charter product
- "Santa Special" Trains

To this list could be added the special event days such as

"The Great Train Race" and "Graeme Breydon's Old Time Festival"

Oddly enough, it is the "special" extras which do the most for profile of your railway in the tourist market. Probably the single most important move done by Puffing Billy has been the development of the Night and Luncheon Trains. The former was a product which, because of volunteer availability, ran occasionally, as groups booked. No real marketing was done.

Some years ago a survey of the railway undertaken by the Victorian Tourism Commission came up with the conclusion that Puffing Billy was an attraction of limited capacity for change. Warning bells rang loudly and publicity was cranked up on the Night Train and a brave new product, The Lunch Train, developed.

These soon changed the minds of the Tourist heavies ! To our surprise it also worked in the public mind. Suddenly the population saw Puffing Billy as an attraction for grown ups rather than a train for little kids.

As an aside, the number of adults carried has always far exceeded the number of children - at a proportion of nearly two to one, but the public perception was the reverse.

DESCRIBE PRODUCTS

Friends of Theme
Night Train
Lunch Train
Christmas Special
Commissioners Special

OTHER EXAMPLES

Re-enactments
 Visiting Locomotives/Hunslet revisited
 Repainting locomotives
 Carol Train
 Special Days - Landrover TR

At the end of the paper the Chair Dr John Radcliffe invited delegates to ask questions.

- a) Don Parkes (Sydney Tramway Museum): Have you (Puffing Billy) tried to hold weddings, birthday parties and other functions ?

Phil A'Vard: Yes, very successfully.

- b) In regards to functions and in particular, weddings; comments were made by Robert Merchant (Sydney Tramway Museum), Peter Kahn (Sydney Tramway Museum), and Michael Kerr (Tramway Historical Society) that all the appropriate requirements and permissions should be sought and obtained.

- c) Ron White (Australian Electric Tramway Museum): The AETM has introduced and held at least two special events a year, and when no public transport was available the AETM made an additional feature of providing transport. The event was advertised and advance bookings were requested.

The AETM also encouraged groups such as Historical Societies to hold their events at St. Kilda, and this innovation has proved to be successful.

- d) Euan McQueen (Rail Heritage Trust): In the staging of special events - there was the need to consider and recognise the role and structure that exists within each body and the potential conflicts that may result between them. One body may wish to achieve authentic and accurate historical restorations, which may not coincide with promotional or marketing needs. (An historical item to be properly conserved would need to be housed in a glass case - and not be available for its original purpose.)

Phil A'Vard recognised these considerations in his previous paper "Integrating the Volunteer and the Professional."

- e) Bryan Blanchard (Pleasant Point Railway Historical Society): The Pleasant Point Railway Historical Society made it a point to contact the media to advise them of their events and thereby gained a lot of free promotion.

Phil A'Vard agreed it was essential to keep the press releases flowing.

- f) John Radcliffe (Australian Electric Tramway Museum): Was there much interest in promoting international tourism ?

Phil A'Vard: Yes the Society liased a lot with the Victorian Tourism Authority and a lot of marketing promotion was held overseas. (Promotional brochures in Japanese and Chinese languages were available)

As a result international tourism complemented the local market and was the "icing on the cake".

To achieve maximum value - we must all realise the need to work with bus-tour operators.